

CITY OF CORVALLIS
COUNCIL POLICY MANUAL

POLICY AREA 7 - COMMUNITY IMPROVEMENTS

CP 02-7.15 **Fee-in-Lieu Parking Program for Parking-Related Improvements
in the Central Business (CB) District and the Riverfront (RF)
District**

Adopted December 16, 2002

Revised November 21, 2005

Affirmed May 7, 2007

Revised September 8, 2009

Revised October 17, 2011

7.15.010 **Purpose**

The Land Development Code requires all new development in the CB and RF Districts (the downtown) to construct, at a minimum, one parking space per 1,000 square feet of commercial space and one space per each residential unit. The Corvallis Comprehensive Plan directs that the downtown area is to remain in a compact urban form, and it is sometimes difficult in the downtown to provide both the required parking and the required urban density to maintain such a form on the same piece of property. The Fee-in-Lieu Program allows developers to pay a fee for each parking space rather than construct said space. The fund into which the fee is paid is reserved for future provision of publicly accessible parking spaces in the CB and RF Districts.

7.15.020 **Policy**

7.15.021 **Applicability**

This policy applies to all development in the CB and RF Districts required to construct parking spaces according to provisions of the Land Development Code. In general, it is recognized that constructing public parking improvements is preferred to payments in lieu of construction. However, in certain instances, it may be in the best interest of the community to accept payments in lieu of construction to provide for improvements that will help maintain the CB and RF Districts in a compact urban form. The decision to

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allow payment in lieu of construction will be made by the Planning Commission and/or City Council for development proposals requiring a public hearing, or by the Community Development Director for development projects which are permitted uses.

7.15.022 Determination of Fee-in-Lieu Parking Program Fee

The fee associated with this Fee-in-Lieu Program is established as of September 2011, to be \$9,600 for each parking space the construction of which a developer chooses not to construct or provide through long-term agreement for the use of available nearby spaces. This fee shall be tied to the Engineering News Record Construction Cost Index 20-City average (ENR CCI) for September 2011, which was 9153. The fee shall be updated yearly based on each year's updated ENR CCI for September. The actual in-lieu of fee amount shall be established at the time of payment.

7.15.023 Fee Collection

The Fee-in-Lieu Parking Program fee will be collected by the City, prior to the issuance of any final occupancy permits for the building or portion thereof associated with the fees.

Notwithstanding any other provision herein to the contrary, whenever a Fee-in-Lieu Parking Program charge for five or more spaces would otherwise be due and collectable, the developer may apply upon forms provided by the City Manager for payment of the charge in not more than 20 semi-annual installments plus interest. Upon receipt of such an application, the City Manager shall compute the amount of the Fee-in-Lieu Parking Program charge, the dates upon which each installment on that charge is due, the name or names of the developer(s) of the development for which the Fee-in-Lieu Parking Program charge is imposed, and the description of the property upon which the development is occurring or has occurred. The total amount of the charge shall be subject to interest at the rate of 10 percent per annum, which interest shall be the full and only compensation to the City for its administrative costs and shall be secured by property, bond(s), deposits, letter of credit or other security acceptable to the City Manager. Each installment shall be paid within fifteen days of the dates established above, beyond which fifteen day period a late fee shall be charged. The late fee shall equal five percent of the amount due and an additional late charge shall be assessed for each month the installment remains unpaid. If the developer elects to secure the charge(s) with real property, the developer shall obtain the consent of the owner or owners of record or of the contract purchaser or purchasers of record of the real property. The burden of

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showing the identity of the owner or owners of record or of the contract purchaser or purchasers of record of the parcel shall be upon the developer. Any deferred payment secured with real property shall become a lien upon the property and the City Manager shall docket the lien in the docket of liens; and from the time that docketing is completed, the City shall have a lien upon that described property for the total amount of the charge. That lien may be enforced in the manner provided in ORS Chapter 223. That lien herein shall have priority over all other liens and encumbrances of any character.

7.15.024 Accounting

Fee-in-Lieu Parking Program fees and all the interest earnings on those fees will be placed in an account specific to the provision of publicly accessible parking in the CB and RF Districts. These accounts will be co-managed between the Community Development Department and the Finance Department. The City will maintain a record of all properties that have met their required parking space obligation by paying the appropriate fee for the spaces. Payment of this fee does not absolve the developer from any future obligation to participate in future construction of publicly accessible parking spaces through additional funding mechanisms (e.g., a local improvement district, tax increment financing, etc.). Payment of this fee also does not guarantee the developer that parking spaces will be constructed for the sole use of or in the immediate proximity of that development.

7.15.025 Project Implementation

Projects funded from the Fee-in-Lieu Parking Program may be implemented either by the construction of publicly accessible parking spaces through the City's Capital Improvement Program or by disbursing funds to a developer constructing the improvements. Funds may also be used to convert existing private parking spaces to publicly accessible parking spaces through the purchase or lease of underutilized private parking spaces. Planning for parking capital improvement projects funded by Fee-in-Lieu Parking Program fees will be initiated at the discretion of the Community Development Director, contingent upon budget approval by the City Council. It should be recognized that to provide for a logical and cost effective construction of parking improvements, projects funded by Fee-in-Lieu Parking Program fees may be phased and may be constructed such that the parking spaces do not directly serve the parcels from which the fee was collected.

7.15.030 Review and Update

This Community Improvements Policy shall be reviewed every three years in October and updated as appropriate.